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Soviet Lines of Attack:

The Soviet Union, which has had the West pondering the Berlin problem since 10 November, has since then evidenced new interest in talking about European security schemes, and on 10 January made another proposal for dealing with the German problem.

The Soviets are obviously pursuing several interests simultaneously. No one has ever doubted that they wanted the West out of Berlin, that they wanted to wangle recognition of the German Democratic Republic, or that they wanted to curtail the flow of refugees from East Germany. The Berlin proposals of 10 and 27 November were in pursuance of these aims.

They also gave rise to the suspicion that Moscow hoped to bring about negotiations on the broader German problem. If any doubt about this remained, it was removed for those in the know of government affairs when Deputy Premier Mikoyan gave Secretary Dulles an aide-memoire on 5 January, and for the public at large when the Soviet Union sent a note with similar contents to 27 governments on 10 January.

The 10 January Note:

The latest Soviet note proposes that a peace treaty be signed with Germany, in fact, with both the German Federal Republic and the so-called German Democratic Republic. If a German Confederation is formed, its representatives would also sign the treaty.

The German people, treated in the note as one entity, would have full sovereignty over Germany, including its territorial waters and air space.

Both Germanies must remain out of military alliances. The actual language of the note is that Germany cannot be a member of any alliance if the U.S., U.K., France, and the Soviet Union are not all members of it.

The ex-World War II Allies will try to help the Germans achieve unification, but, meanwhile, the Germans must pledge not to unify their country by resort to force.

Germany, again referred to in the singular although meaning to apply to both the Fedrep and the GDR, shall have its own national armed forces

for defense, but shall not have any ABC weapons, rockets, missiles, bombers, or submarines.

The peace treaty should provide that all foreign troops must be withdrawn not later than a year after the date of the treaty's entry into force. One third of the troops should be withdrawn within six months.

German borders are given as those of January 1, 1959, meaning an acceptance of the Oder-Neisse line.

Moscow proposes that such a peace treaty be drafted by a conference of 30 nations to be convened within two months in Warsaw or Prague. This puts the conference well within the time period originally given us by Moscow for solving the Berlin problem.

The latest Soviet note also followed up that of 13 December by calling for talks on European security--a non-aggression pact, the Rapacki plan, and thinned out-zones.

This peace treaty proposal is much tougher than the famous March 1952 Soviet proposal, especially because it assumes a divided Germany, whereas the 1952 plan had German unification as its ostensible objective.

The new note was very poorly received in the West. Words like "stupid," and "cruel," have been used to describe it. Adenauer called it completely unacceptable. Dulles said it would repeat the mistakes of Versailles. The Frankfurter Allgemeine wrote that compared to the Soviet proposals, the Versailles Treaty was almost a declaration of love.

The Social Democratic opposition obviously does not like the new note, but is trying to see in it possibilities for constructive development. Deputy party chairman Herbert Wehner said the West should not flatly reject it. The Socialists, of course, must be eternally optimistic since a cardinal point of their foreign policy is that there must be, and can be, negotiations with the Soviets.

Soviet and Western Positions on Berlin:

The Soviet note reiterated but did not appreciably change the Berlin position which Moscow took in November. The note, however, is devoid of the ultimatum aspect to which the West had vigorously objected.

The 27 November Soviet note had made several major points:

(1) The West has lost its right to be in Berlin and should get out;

(2) West Berlin should be made a free, independent, demilitarized city; and

(3) If the West did not agree to this plan in six months--that is, by the end of May 1959--there was nothing to negotiate about Berlin and the Soviets would hand their functions in Berlin over to the East Germans.

There has been some retreat from this high-handed attitude. Khrushchev and Gromyko both said in December that the Berlin proposals did not represent an ultimatum, and that the West's counter-proposals were awaited.

Mikoyan further assured Dulles that no ultimatum was intended. The 10 January note makes no reference to the deadline of 27 May.

Now that the town meeting, as it were, has been thrown open to the discussion of all the problems--Berlin, Germany, and European security--with Moscow playing down deadlines and claiming a willingness to listen to other proposals, one naturally wonders if the November declaration still holds good that Moscow will turn over all of its functions to the GDR at the end of May.

The essence of the position formally taken by the three Western powers in their replies to Moscow on New Year's Eve is that we haven't lost our right to be in Berlin and won't get out, that we won't agree to the free city plan (or any arrangement that will impair the freedom and security of West Berlin), that we have the right of unhindered access by land and air to Berlin, and that we will not accept a substitution of East German for Soviet obligations respecting free access.

This position was backed fully by the NATO Council in December, and was supported by the Bonn Government in its own note to Moscow on 5 January.

The Crucial Point for the West:

There is one very important thing left unclear in this statement of the Western position, and that is simply the definition of the point at which we will defend our rights of access to Berlin.

Will we defend our rights only when someone tries physically to keep us from moving to Berlin, or will we defend our rights as soon as the East Germans try to exercise jurisdiction over our movements, when we have in the past recognized only Soviet jurisdiction?

This appears to be the most critical and at the same time the most difficult question that the U.S. and the Western powers have to answer in the coming months.

The question will certainly be asked recurrently, "Why all the fuss about a transfer of jurisdiction to the East Germans? Does it matter that much?"

The school of thought which presently includes the top U.S. policy-makers is that it does matter that much. On the practical side the rationale in a nutshell is that once the East Germans have been conceded authority to control Western movements in any way, they will feel that they have complete authority in every way, and eventually we will find that we can't go to Berlin. If we begin by yielding to East German demands to see our credentials, then we will yield to East German stipulations regarding any aspect of our travel--number of trucks a day, type of cargo, etc. We will one day be confronted with the announcement that we can no longer travel until we extend recognition to the GDR. Moreover, at any time after we have begun dealing with the East Germans, we should not be surprised to find the routes simply closed, for the East German propaganda demands almost hysterically that the West get out of Berlin.

The practical question is, if we fail to reject East German jurisdiction at the outset, can we ever reject it? The answer depends somewhat on the extent to which the West, or the U.S. if it comes to that, needs the moral and/or material support of other nations in its Berlin policy. There seems to be little doubt that if the Soviets fade out of the Berlin access picture, and we have a period in which the East Germans are regulating Western traffic across East Germany, the world at large will forget that the West has a special right to this transit. It will become increasingly difficult to convince the Indians, Indonesians, and Arabs that East Germany is not entitled to regulate traffic coming into its territory with the complete discretion possessed by other countries.

Naturally, if the U.S. is prepared to use force, in defiance of world opinion, when the East Germans begin actually to jeopardize Berlin's supply, then the initial challenge to East German jurisdiction is not as crucial.

Neither is it as important to reject GDR jurisdiction if Berlin can be supplied by air. As in 1948-9, ground access could be yielded. However, a new airlift is a highly debatable matter. There are many reports that the Communists wouldn't allow it to go unharrassed this time. And even if they did, many experts doubt that an airlift could adequately supply the city for long.

Consequently, ground access looms as very important to the U.S. Government, which wants to make a strong point of maintaining it.

Contingency Plan:

Behind the scenes, Secretary Dulles is trying to get Britain and France to go along with us in recasting the plan we have had against the contingency of a takeover by the East Germans of Berlin access control. Our plan would provide for at least a test probe on land in order to see if the Communists would use force to stop us. In Mr. Dulles' opinion, there is no sense in imposing a blockade on ourselves unnecessarily.

So far, we haven't made very muchprogress in winning London and Paris over to our view. British Foreign Secretary Lloyd would prefer, as he says, to have a test of force come in the air. The Communists would have to shoot us down and the situation would be more clean-cut than it would be on the ground.

Soviet generals have talked belligerently about any attempt by us to push our way through to Berlin. This, they say, would be aggression against the GDR and would invoke retaliation by the Warsaw pact countries. On Christmas, Marshal Sokolovsky said that the U.S. will not sit out a confliot with impunity because the USSR has intercontinental rockets.

This remark has, I suppose, acquired added force in light of the Lunik.

The Spaatz Plan:

Quite unofficially, the Spaatz plan has appeared on the Western side. Put forward by the former Air Force general, it would make all of Berlin

the property of the UN, which would take up its headquarters there. Western forces could withdraw.

The Bonn politicians have so far not been very excited about this plan. Possibly it signifies to them acceptance of the indefinite division of Germany. Perhaps it would be possible to convince them that this arrangement would not hold up unification, and that Berlin would be transferred from UN to German hands just as soon as unification took place.

For the Communists, the Spaatz plan would have the merits of (1) getting the Western forces out; and (2) [redacted] But it would not give Berlin to the GDR, which is a Communist objective.

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There would still be an access problem. Would the Communists want foreigners from all over the world streaming to Berlin across the GDR? There would have to be guaranteed access. The Communists would presumably contend that this had to be arranged with the GDR; the West would presumably refuse.

And what about the refugees? Could the GDR afford to allow a steady flow of its dissidents directly into the home of the observant international forum? Alternatively, could the GDR afford to damage itself in the eyes of the UN by erecting a fence around Berlin?

Nothwithstanding these drawbacks, further consideration may be given to this plan.

Negotiations Agenda:

Negotiations have been a leading possibility, and to most people a probability, ever since the Berlin crisis arose. The two sides have now exchanged a number of communications, which give the following idea of the preferred and acceptable topics:

The Soviets want to talk about Berlin; the West doesn't see what there is to discuss, but is willing to consider the topic in a larger context.

The West wants to talk about German unification; the Soviets say they won't. This is a subject they insist should be left to the Germans.

Both the West and the Soviets are willing to talk about a peace treaty in which interest would center on the provisions regarding Germany's military status.

And both sides are willing to talk about European security, a rubric which covers all the Soviet suggestions mentioned in the 13 December note--a non-aggression pact, the Rapacki plan, a thinned-out zone, etc.

Interests of Each Side:

This enumeration supports what is already known about the interests of each side.

The West is interested in a political settlement in central Europe, a termination of the dislocations and divisions brought about by the War. Principally this can be done by the unification of Germany. It was to encourage the Soviets to permit this kind of settlement that the West began several years ago to develop European security plans.

The situation is nearly reversed on the Soviet side. Moscow does not want a political settlement if that means German unification. It would like a settlement if it meant a general recognition of the status quo, plus some tidying up, like the West evacuating Berlin.

Mainly Moscow is interested in military arrangements which of course have the general purpose of reducing Western strength. The arrangements Moscow continues to propose would do several things: keep West German forces from expanding, and even reduce them; keep the West German forces from getting nuclear weapons, and even deprive them of their present missiles; get West Germany out of NATO; and get U.S. forces out of Germany and probably even out of Europe.

Almost every Soviet proposal has these clearly as objectives.

25X1X Gomulka told [redacted] that Berlin would be no problem at all if German atomic rearmament were abandoned. This is probably a gross exaggeration, but there may be some truth in it.

25X1X Khrushchev told [redacted] that he wanted a top-level meeting to discuss not only Berlin, but a German peace treaty, a non-aggression pact, European security, the reduction of forces in Germany, and the withdrawal of forces from Europe. He said that of all these subjects, the Berlin problem was probably the least important.

Mikoyan, [redacted] directed his attention to NATO, said it was a threat to peace, and declared that the Soviets hoped for its dissolution from within. The Soviet deadline for a decision on Berlin was not in any sense an ultimatum, but was only fixed in order to assure some progress in negotiations.

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The Problem For Each Side:

Put one way, the problem for the West is whether, in order to get a political settlement, it can afford to do anything to satisfy the Soviet interest in military restrictions.

The problem for the Soviets would logically be whether, in order to obtain military restrictions, it can afford to do anything to satisfy the Western interest in a political settlement.

Actually, the Soviet Union is not, apparently, willing to do anything towards a political settlement that would make sense to the West. As the Soviets conceive it, the only "give" will have to be on the Western side. The Soviet problem, therefore, becomes one of trying to convince enough Westerners of the wisdom of a military disengagement in Europe so that Western policy will undergo a change.

The Soviet campaign toward this end is made simpler by the fact that there is a solid core of Westerners who agree with the Soviets that it would be desirable to have various military restrictions, or to call it by the name in vogue, a disengagement. This attitude appears to be founded mainly, but not exclusively, on three factors: fear of the German military, an unwillingness to continue the economic burden of Western defense at the present level, and a fear of conflict because of large forces on each side of the Iron Curtain.

The Berlin crisis itself, with its attendant threat of war, has of course given a strong boost to disengagement thinking. Many people feel that the imperative of the season is some East-West agreement which will have the effect of deactivating the Berlin bomb. There is widespread recognition that Berlin cannot be sacrificed and that an agreement on German unification is not in the cards. By elimination, then, some kind of disengagement seems to be the only hopeful subject for negotiation.

The difficulty with this solution is that it would greatly assist the Soviet objective of reducing Western military strength in Europe,

and it would do nothing to satisfy the Western interest in a political settlement. Nor would it even necessarily solve the Berlin problem, since West Berlin would still be sitting in the midst of the GDR and still have to worry about access.

But there is a certain amount of sentiment these days that concessions have to be made to Soviet desires, though the concessions are not always recognized as such by those advocating them.

Greek Foreign Minister Averoff observed at the December NATO meeting that the Soviets are very clever in their tactics. By repeating threats and making excessive demands, they make Western public opinion willing to accept with relief a solution which concedes something to the Soviets. We are asked for a thousand, he said. The Western public gets frightened, and if we agree to one hundred, there is great relief.

Are Negotiations Possible?

In its note to the Soviets on New Year's Eve, the U.S. said that it was ready at any time to enter into discussions with the USSR on the basis of any proposals genuinely designed to insure the unification of Germany in freedom.

Since the Soviet note of 10 January explicitly calls for a discussion of a peace treaty with the two Germanies, it would seem questionable whether any negotiations at all could take place. However, if Moscow is sufficiently eager for talks on disengagement it will undoubtedly find some way of agreeing with the West on an agenda, if only by vaguely agreeing to discuss the "German problem."

Possible Positions:

One would have thought that the Western position in general negotiations on the German problem would be reminiscent of the Geneva proposals of 1955 and the Berlin Declaration of 1957. This conclusion was certainly justified by the American note to Moscow on New Year's Eve which referred to our stand in favor of free all-German elections and freedom of alliance for an all-German government.

However, at his press conference on 13 January, Secretary Dulles was asked whether unification could be achieved at all if it cannot be achieved through free elections. He replied that free elections were the natural method, but that there are other, theoretical methods possible. What they are, he declined to say. The next day the State Department announced that free elections were still "the best and most logical method" of achieving unification.

To many Westerners, the Geneva and Berlin formulas are objectively quite sound, but are not likely to bring results in the future any more than in the past. Many think a change is necessary, if only for the sake of appearance.

To ways of relaxing the traditional Western stand on free elections have been suggested in the past by the Social Democrats and Free Democrats. One is that free elections be held at the end of the unification process rather than at the beginning, and the other is that elections in the Soviet Zone could be "unfree," i.e., held under the supervision of the Communists. This is based on the idea that the East Zone delegates could at the most be a Communist minority in an all-German parliament.

In negotiations, we would probably renew our offer not to advance NATO troops into the Soviet Zone, we would again propose a non-aggression pact between the states of the West and the East, and we probably again would suggest areas of controlled armaments. In general, we would be supporting a mild disengagement based on German unification.

The Soviet Union is, for its part, proposing a radical disengagement based on the continued division of Germany. It is proposing a peace treaty with the two German states which would bar them from any military alliance, require the withdrawal of Allied and Soviet forces, and ban nuclear weapons in the German area.

Some political elements in West Germany are advocating the kind of negotiations which would play directly into Soviet hands. Members of the Social Democratic and Free Democratic parties, especially, talk about discussions simply on security plans and a peace treaty, omitting unification. They apparently regard disengagement as mainly an operation to clear the atmosphere, so that unification might be possible at a later date.

If this already the case, it is easy to imagine what a political put[illegible]osion Moscow could set off if it suddenly reversed its position, and [illegible]f its disengagement proposals on the basis of German unification.

If Moscow has been willing to accept a unified neutral Germany--which is certainly very doubtful--it has recently created a favorable climate in which to get such a Germany.

After Negotiations, What?

If negotiations are held on Germany in the next few months and are a failure, the question is, what becomes of the Soviet plan for Berlin? And will the Soviets turn over control of the access routes to the East Germans?

Questions like this cannot be answered yet. But it is possible to believe that Moscow would use a big power conference and all of its attendant events as a cloak behind which to withdraw quietly from its November position.

If not, the situation respecting Berlin would remain highly explosive.